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SUBJECT: BRAZIL'S REVISED CLIMATE CHANGE NEGOTIATING TEAM AND VIEWS

ON MEM AND 2009

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BRASILIA 00000202 001.2 OF 003

- (U) THIS CABLE IS SENSITIVE BUT UNCLASSIFIED AND NOT INTENDED FOR INTERNET DISTRIBUTION.
- 11. (SBU) SUMMARY. The Brazilian climate change negotiating team for 2009 is significantly different than the one for 2008. Most importantly, Ministry of External Relations (MRE) Under Secretary for Policy Everton Vargas (who is going to Germany) will be replaced as head of the team by Ambassador Vera Barrouin Machado and Environment Minister Carlos Minc has replaced Marina Silva. These changes may present an opportunity for closer collaboration between the United States and Brazil during this critical year. Moreover, key MRE officials indicated a reluctance to continue the Major Economies Meeting (MEM) or something similar during this year. END SUMMARY
- 12. (SBU) On January 29, ESTH Counselor discussed the ongoing negotiations under the UN Framework Convention on Climate Change (UNFCCC) with two key officials from the Ministry of External Relations (MRE): Special Ambassador for Climate Change Sergio Barbosa Serra and Director of the Environmental Policy and Sustainable Development Division Andre Odenbreit Carvalho. MRE leads the Government of Brazil's (GOB) climate change negotiating team, though it consults with the Ministry of the Environment (MMA), the President's Office (Casa Civil), the Ministry of Science and Technology (MCT), and other interested governmental agencies.

#### THE REVISED NEGOTIATING TEAM

- (SBU) The GOB negotiating team in 2009 is significantly different than that started 2008. Long time international environmental negotiator, MRE Under Secretary for Policy Everton Vargas, will soon turn over that position and the lead role in the UNFCCC negotiations to Ambassador Vera Barrouin Machado, who just returned from the Brazilian Mission to the Holy See. (NOTE: Earlier Post had heard that MRE's Under Secretary equivalent for Energy and Science, Ambassador, Andre Amado, might replace Amb. Vargas as head of the climate change negotiating team. Now, it is clear that Amb. Machado will fill that role. END NOTE.) Amb. Machado has some experience with UNFCCC issues (see biographic information in paragraph 13 below), having led the Brazilian delegation to the UNFCCC Conference of the Parties in New Delhi in 2002 and the delegation to the Conference of the Parties of the Montreal Protocol in Sri Lanka in 2001. She also has had experience in handling energy issues - particularly nuclear matters - which could be helpful to her. She will have her hands full because, in addition to climate change, her portfolio will include Europe, the United States, Canada, and international organizations.
- $\P4$ . (SBU) Further, the Environment Ministry has had a remarkable makeover with the replacement in May of 2008 of the ideological

Marina Silva by the much more pragmatic Carlos Minc as Environment Minister. Minc is credited with persuading President Luiz Inacio Lula da Silva in December 2008 to include domestic targets on reduction of deforestation in the GOB's National Plan on Climate Change (REFTEL A). In conversations with Minister Minc, his deputy Isabella Monica Vieira Teixeira, and head of the Climate Change Secretariat Suzanna Kahn they all seem open to exploring new approaches and taking on a more ambitious and robust position at the UNFCCC. All three have roots in the NGO community.

- 15. (SBU) Many members of the GOB negotiating team remain in place from 2008. Serra and Odenbreit continue as key players, both of whom report to the Director of MRE's Environment Department Luiz Figueiredo Machado, who has been a working group chair under the UNFCCC process. Figueiredo Machado in turn will report to Amb. Machado. Dr. Thelma Krug was replaced by Suzana Kahn Ribeiro at the Environment Ministry. However, Krug still keeps her hand in the matter through her new position as Director of the International Relations Office of the National Institute on Space Research (INPE). INPE is a subsidiary body of the Ministry of Science and Technology (MCT). Also from MCT, Dr. Jose Domingos Gonzalez Miguez, the Executive Secretary of the Inter-Ministerial Commission on Climate Change, is a long-standing member of the negotiating team. Miguez focuses his efforts on the Clean Development Mechanism (CDM).
- 16. (SBU) Not officially part of the GOB negotiating team, the Brazilian Congress has played a relatively modest role in shaping climate change negotiating positions. The Congress has established a mixed commission on climate change with members from the Senate and the Chamber of Deputies, and it did send a handful of its members to attend the UNFCCC's meeting in Poznan in December 2008. Although to date the Congress, as well as state and local governments, the private sector, NGOs, and academia have had little influence over the development of the GOB's negotiating positions, Congress will have to approve any agreement, and may serve as a

BRASILIA 00000202 002.2 OF 003

conduit for the views of other groups during the approval process.

## MAJOR ECONOMIES MEETING (MEM) PROCESS

- 17. (SBU) Serra and Odenbreit said the GOB looked at the MEM process in 2008 as a mixed bag. On the positive side, it provided a valuable exchange of ideas. However, the downside was that the MEM process created a parallel negotiating track. In particular, they did not like the negotiating of a joint statement at the end of the process last year. Also, they felt uncomfortable with the membership being overwhelmingly from the rich, Annex I countries. They said that the GOB team felt uncomfortable as they and the few other developing countries attempted to shoulder the obligation of representing the interests of the other G-77 members at MEM. The GOB prefers to have the negotiations occur in one place, under the UNFCCC process.
- 18. (SBU) They both see 2009 as being packed with meetings leading up to the Copenhagen meeting at the end of the year. Serra and Odenbreit felt that continuing the MEM process this year would be counterproductive because it would both (1) consume precious time, and (2)lead to a negative and unfavorable reaction from those countries excluded from the process.

### INTEREST IN MEETING WITH USG COUNTERPARTS

19. (SBU) Serra and Odenbreit expressed interest in meeting USG counterparts. They said the first opportunity would be on the margins of the climate change conference in Tokyo, February 12-13. They would welcome a visit of senior USG climate change officials. Similarly, they would be interested in a video conference with USG officials

MORE ITEMS: NAT'L PLAN, COMPARABILITY, COMPLIANCE

110. (SBU) The National Plan on Climate Change has quantitative targets on reducing Amazon deforestation, which is the primary source of Brazil's greenhouse gas emissions. Nonetheless, Serra and Odenbreit were skeptical that it would have an impact on the GOB's

position not to take on emissions targets in the UNFCCC negotiations. COMMENT. While MRE is reluctant to change its position on this issue, Environment Minister Minc has mused in public about taking such a step. END COMMENT.

- 111. (SBU) Serra opined that comparability would be one of the tougher issues to resolve. He said it was important that the international community be able to accurately compare differing efforts to reduce emissions. However, he thought it might be difficult to integrate the United States into the process, though he did not elaborate on his reasoning.
- 112. (SBU) Compliance was also a critical subject, according to Serra. He said that the G-77 members were disappointed with the number of countries not meeting their Kyoto Protocol targets. The GOB was waiting to see the Europeans' proposal on the subject of compliance.

#### BIOGRAPHIC INFORMATION FOR VERA BARROUIN MACHADO

113. (U) She was born on July 14, 1946 in Rio de Janeiro, and in 1967 she married Ronald Crivano Machado, an engineer. They have one son and two grandchildren. She entered into the Brazilian diplomatic service in 1968. In Brazil, she has served as the Deputy Director of the Division of Conferences, Organizations and General Matters (1970), the International Relations Advisor to the National Nuclear Energy Commission (CNEN) (1970), and the Director of the Division of Asia and Oceania (1983). At Brazilian posts overseas, she has served as a Second Secretary in Mexico (1974), Second Secretary in Madrid (1976), Minister Counselor in Washington (1986), Consul General in Miami (1991), Ambassador in New Delhi (1999-2004), and Ambassador to the Holy See (2004-2008). She has taken part in United Nations' conferences and worked with specialized UN agencies, such as the International Atomic Energy Agency (IAEA) and the UN Economic Conference for Latin America and the Caribbean (CEPAL). Further, she has led Brazilian delegations to various international meetings, including those regarding cooperation between developing countries (Manila, 1981), on commerce (Ljubljana, 1981), and nuclear cooperation between Brazil and the Argentine, which led to the introduction of a nuclear safeguards system (Rio de Janeiro, 1987), the Conference of the Parties of the Montreal Protocol (Sri Lanka, 2001), and Conference of the Parties of UN Framework Convention on Climate Change (New Delhi, 2002).

# COMMENT

114. (SBU) The changes in the Brazilian climate change negotiating BRASILIA 00000202 003.2 OF 003

team may offer good opportunities for working together to achieve common goals. Also, the new team members may be open to new ideas and approaches. Clearly, the Environment Ministry seems more ambitious than it was a year ago. Post strongly encourages USG climate change officials to visit Brazil early to meet with counterparts. We see significant advantages from coordinating positions with Brazil. See REFTEL B. END COMMENT.

SOBEL